

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 94-637-E - ORDER NO. 94-1299 ✓
DECEMBER 29, 1994

IN RE: Application of Carolina Power &) ORDER GRANTING
Light Company for a Certificate of) CERTIFICATE OF
Environmental Compatibility and) ENVIRONMENTAL
Necessity to Construct a 230 kV) COMPATIBILITY
Transmission Line and Substation in) AND PUBLIC
Chesterfield County on the South) CONVENIENCE AND
Side of Cheraw.) NECESSITY

This matter is before the Public Service Commission of South Carolina (the Commission) by way of the Application (Application) of Carolina Power & Light Company (the Company or CP&L) filed on September 26, 1994, seeking a Certificate of Environmental Compatibility and Public Convenience and Necessity (Certificate) under S.C. Code Ann. §58-33-10 to -430 (1976). CP&L seeks a Certificate to construct a substation and approximately one mile of 230 kV transmission line in Chesterfield County, South Carolina, on the south side of Cheraw near Cheraw Cash Road.

Upon receipt of the Application, the Commission's Executive Director instructed the Company to cause to be published a prepared Notice of Filing and Hearing in newspapers of general circulation in the affected area in South Carolina. The Notice described the nature of the relief sought and provided general information on the manner in which interested parties might participate in the proceeding. The Company subsequently filed certain affidavits of publication indicating compliance with the instructions of the

Commission's Executive Director. Additionally, CP&L served a copy of the Application on all parties as required by S.C. Code Ann. §58-33-120 and 58-33-140 (1976). No Petitions to Intervene were filed with the Commission.

A public hearing was held on December 15, 1994, in the offices of the Commission. Len S. Anthony, Esquire, represented the Company and Gayle B. Nichols, Staff Counsel, appeared on behalf of the Commission Staff (Staff). At the hearing, J. David Smith, Division Engineering Supervisor for CP&L's Southern Division, and Brenda E. Brickhouse, Senior Specialist in Transmission Engineering, testified on behalf of the Company.

Upon full consideration of the Company's Application, the evidence and testimony presented at the hearing, and the applicable law, the Commission makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

1. CP&L seeks a Certificate to construct a substation and approximately one mile of 230 kV transmission line, in Chesterfield County, South Carolina, on the south side of the town of Cheraw near Cheraw Cash Road. The proposed transmission line will tap the existing Cheraw Reid Park 230 kV line and proceed north along an existing railroad corridor approximately one mile to the proposed Cheraw Cash 230 kV substation.

2. According to the Application and testimony, demand for electricity in the Cheraw Cash Road area has increased to the point that existing transmission and distribution facilities serving the area will soon be unable to reliably provide adequate service

during contingency situations. Service reliability is threatened due to transformer problems, increasing line losses, and customer growth.

CP&L studied three (3) alternative methods to determine the most appropriate solution to these problems. CP&L considered rebuilding all four of the transformers at the current substation serving the area, using a different substation to serve more of the load in the Cheraw Cash Road area, and the chosen alternative. Based on its study, CP&L determined the proposed new substation and transmission line was the most economical and would eliminate potential low voltage conditions, reduce distribution line losses, improve reliability, and provide for future load growth in the area.

3. The budgeted total cost for the project is approximately \$1,648,000. In addition, the Company estimates \$44,000 in annual electrical line loss savings.

4. The proposed Cheraw Cash Road 230 kV transmission project will require clearing approximately seven acres of forest. The proposed transmission project will not impact any known threatened or endangered species or any known archaeological or historical resources. The proposed transmission project was located to minimize wetlands impacts. The proposed transmission line corridor crosses two intermittent drainage areas. The hydrology will not be altered in these areas and no unauthorized fill or discharge will be made to any wetlands.

The proposed transmission project will be visible to the public from Cash Road only at the location of the Cheraw Cash Road

230 kV substation which will be landscaped using native species similar to the surrounding landscape. Along the proposed route, the proposed transmission line will blend with the surrounding landscape since the structures are made of corten steel and will not generally be taller than the trees. Additionally, since the transmission line will follow an existing railroad corridor, the visual impact will be confined to an area already affected by the railroad.

5. Environmental and land use impacts of the project were minimized during the initial siting process. One alternative route was considered but was rejected due to land use considerations.

6. Witnesses Smith and Brickhouse testified that the proposed project will conform to applicable State and local laws and regulations.

CONCLUSIONS OF LAW

1. S.C. Code Ann. §58-33-110 (1976) mandates that "[n]o person shall commence to construct a major utility facility without first having obtained a certificate issued with respect to such facility by the Commission." In relevant part, a major utility facility is defined as "[a]n electric transmission line and associated facilities of a designed operating voltage of one hundred twenty-five kilovolts or more...". S.C. Code Ann. §58-33-20(2)(b) (1976).

2. In determining whether to approve or disapprove an application for a Certificate of Environmental Compatibility and Public Convenience and Necessity, this Commission must follow the directives of S.C. Code Ann. §58-33-160 (1976). Section 58-33-160

specifies as follows:

The Commission may not grant a certificate for the construction, operation and maintenance of a major utility facility, either as proposed or as modified by the Commission, unless it shall find and determine:

- (a) The basis of the need for the facility.
- (b) The nature of the probable environmental impact.
- (c) That the impact of the facility upon the environment is justified, considering the state of available technology and the nature and economics of the various alternatives and other pertinent considerations.
- (d) That the facilities will serve the interests of system economy and reliability.
- (e) That there is reasonable assurance that the proposed facility will conform to applicable State and local laws and regulations issued thereunder, including any allowable variance provisions therein, except that the Commission may refuse to apply any local law or local regulation if it finds that, as applied to the proposed facility, such law or regulation is unreasonably restrictive in view of the existing technology, or of factors of cost or economics or of the needs of consumers whether located inside or outside of the directly affected government subdivisions.
- (f) That public convenience and necessity require the construction of the facility.

3. The Commission finds and concludes that there is a need for the proposed facility. As noted by the Application and the testimony of witness Smith, demand for electricity in the Cheraw Cash Road area has increased to the point that existing transmission and distribution facilities will be unable to provide reliable service during contingency situations.

4. The Commission also concludes that the probable

environmental impact of the proposed project is minimal. As noted by the Application and testimony of witness Brickhouse, the proposed project will not impact any known threatened or endangered species. Moreover, the transmission project was located to minimize wetlands impacts. The hydrology of the area of the transmission line corridor will not be altered and no unauthorized fill or discharge will be made to any wetlands.

5. The Commission concludes that the impact of the facility upon the environment is justified in consideration of the available technology even though the other alternatives considered may have had less environmental impacts. As noted above, the environmental impacts of the chosen project are minimal. Further, the selected project will improve reliability of service, eliminate potential low voltage conditions, reduce distribution line losses, and provide for future load growth in the area, results which the two other alternatives would not produce.

6. The Commission concludes that the proposed utility facilities will serve the interests of system economy and reliability. The Commission finds that the proposed project is the most economical solution to the reliability concerns in the Cash Road area.

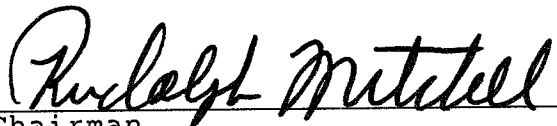
7. Based upon the testimony of witnesses Smith and Brickhouse, the Commission is reasonably assured that the proposed facility will conform to applicable State and local laws and regulations.

8. The Commission concludes that, due to concerns of reliability, the public convenience and necessity require the


construction of the facility.

Based upon each of these conclusions, the Commission grants CP&L's Application for a Certificate of Environmental Compatibility and Public Convenience and Necessity to construct the proposed facilities described by the Application.

IT IS SO ORDERED.


Chairman

ATTEST:


Executive Director

(SEAL)